

Company Registration No. 09177215 (England and Wales)

STREETBEES.COM LIMITED
ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 AUGUST 2019

STREETBEES.COM LIMITED

COMPANY INFORMATION

Directors Mr H Tamura (Appointed 31 December 2018)
Ms T Bulut
Mr R M Klein
Mr O Ashtari
Mr O H May

Company number 09177215

Registered office 10 Orange Street
West End
London
WC2H 7DQ

Auditor UHY Hacker Young (East) Limited
PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

STREETBEES.COM LIMITED

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STREETBEES.COM LIMITED

STRATEGIC REPORT

FOR THE YEAR ENDED 30 AUGUST 2019

The directors present the strategic report for the year ended 30 August 2019.

Principal activities

The principal activity of the Group continued to be that of software and advanced Machine Learning development in the consumer intelligence and analytics space. The Group mainly works with multinational consumer companies across the UK, Europe, North America and Asia.

Fair review of the business

The Directors consider changes in turnover and turnover per employee to be the key financial performance indicators of the Group. The increase in turnover for the Group for the year ended 30 August 2019 reflected the expansion of our roster of blue chip clients and continued expansion of work with our existing multinational client base. Traditionally strong in the CPG sector, the Group also expanded into new verticals during the financial year such as Consumer Healthcare, Media & Entertainment. Added to this is the improvement in productivity, shown by the increase in turnover per employee in the year.

Principal risks and uncertainties

The Directors assess risks and uncertainties facing the business on an ongoing basis. The type of risks that affect the management of the Group are exposure to liquidity risk and cash flow risk. These risks are managed by accurate forward forecasting Group cash requirements and planning in advance for the subsequent funding rounds and when funding rounds would be required.

On 23 June 2016, the UK electorate voted to discontinue its membership of the EU. Until further clarity is known regarding terms in which the UK will exit, the directors are not able to assess the impact on the Group or what impact the wider regulatory and legal consequences of the UK leaving the EU would be on the Group.

Covid-19

At the date of signing of these accounts, Covid-19 represents both a risk to the business and its people. The Group is taking active measures to ensure its people remain safe and healthy. Measures include additional education on cleanliness, self-isolation, social distancing and the ability to work from home. There are regular business continuity meetings to ensure compliance with the measures introduced. To date, the company has performed well during this period of uncertainty, exceeding sales forecasts.

On behalf of the board

Ms T Bulut

Director

5 August 2020

STREETBEES.COM LIMITED

DIRECTORS' REPORT

FOR THE YEAR ENDED 30 AUGUST 2019

The directors present their annual report and financial statements for the year ended 30 August 2019.

Principal activities

The principal activity of the company continued to be that of technology development and applied data science in the market research sector. The company mainly works with multinational consumer and enterprise brands across the UK, Europe, North America and Asia.

Directors

The directors who held office during the year and up to the date of signature of the financial statements were as follows:

Mr H Tamura	(Appointed 31 December 2018)
Ms T Bulut	
Mr R M Klein	
Mr O Ashtari	
Mr O H May	
Mr S Andrews	(Resigned 12 September 2018)
Ms C T Brochado	(Resigned 31 December 2018)

Results and dividends

The results for the year are set out on page 7.

No ordinary dividends were paid. The directors do not recommend payment of a further dividend.

No preference dividends were paid. The directors do not recommend payment of a final dividend.

Auditor

UHY Hacker Young (East) Limited were appointed as auditor to the group and in accordance with section 485 of the Companies Act 2006, a resolution proposing that they be re-appointed will be put at a General Meeting.

Statement of disclosure to auditor

So far as each person who was a director at the date of approving this report is aware, there is no relevant audit information of which the auditor of the company is unaware. Additionally, the directors individually have taken all the necessary steps that they ought to have taken as directors in order to make themselves aware of all relevant audit information and to establish that the auditor of the company is aware of that information.

On behalf of the board

Ms T Bulut
Director

5 August 2020

STREETBEES.COM LIMITED

DIRECTORS' RESPONSIBILITIES STATEMENT

FOR THE YEAR ENDED 30 AUGUST 2019

The directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the group and company, and of the profit or loss of the group for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable UK Accounting Standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the group's and company's transactions and disclose with reasonable accuracy at any time the financial position of the group and company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the group and company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

STREETBEES.COM LIMITED

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF STREETBEES.COM LIMITED

Opinion

We have audited the financial statements of Streetbees.com Limited (the 'parent company') and its subsidiaries (the 'group') for the year ended 30 August 2019 which comprise the group profit and loss account, the group statement of comprehensive income, the group balance sheet, the company balance sheet, the group statement of changes in equity, the company statement of changes in equity, the group statement of cash flows, the company statement of cash flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including FRS 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the group's and the parent company's affairs as at 30 August 2019 and of the group's loss for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (UK) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the group's or the parent company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.

Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

STREETBEES.COM LIMITED

INDEPENDENT AUDITOR'S REPORT (CONTINUED) TO THE MEMBERS OF STREETBEES.COM LIMITED

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report and the directors' report.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the parent company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or the parent company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: <http://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

Other matters which we are required to address

The financial statements of Streetbees.com Limited for the year ended 30 August 2018 were not audited, and thus the corresponding figures disclosed in these financial statements are unaudited.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

STREETBEES.COM LIMITED

**INDEPENDENT AUDITOR'S REPORT (CONTINUED)
TO THE MEMBERS OF STREETBEES.COM LIMITED**

**James Price FCA (Senior Statutory Auditor)
for and on behalf of UHY Hacker Young (East) Limited**

12 August 2020

**Chartered Accountants
Statutory Auditor**

PO Box 501
The Nexus Building
Broadway
Letchworth Garden City
Herts
SG6 9BL

STREETBEES.COM LIMITED

GROUP PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 30 AUGUST 2019

	Notes	2019 £	2018 £
Turnover	3	4,709,117	3,508,910
Cost of sales		(547,456)	(672,612)
		<hr/>	<hr/>
Gross profit		4,161,661	2,836,298
Distribution costs		(303,195)	(345,717)
Administrative expenses		(7,914,386)	(6,238,455)
		<hr/>	<hr/>
Operating loss	4	(4,055,920)	(3,747,874)
Interest receivable and similar income	8	17,112	6,950
Interest payable and similar expenses	9	(155,136)	(524,128)
		<hr/>	<hr/>
Loss before taxation		(4,193,944)	(4,265,052)
Tax on loss	10	59,637	30,809
		<hr/>	<hr/>
Loss for the financial year		<u>(4,134,307)</u>	<u>(4,234,243)</u>

Loss for the financial year is all attributable to the owners of the parent company.

STREETBEES.COM LIMITED

GROUP STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 AUGUST 2019

	2019 £	2018 £
Loss for the year	(4,134,307)	(4,234,243)
Other comprehensive income	-	-
Total comprehensive income for the year	<u>(4,134,307)</u>	<u>(4,234,243)</u>

Total comprehensive income for the year is all attributable to the owners of the parent company.

STREETBEES.COM LIMITED

GROUP BALANCE SHEET

AS AT 30 AUGUST 2019

	Notes	2019		2018	
		£	£	£	£
Fixed assets					
Tangible assets	11		88,714		110,856
Current assets					
Debtors	15	1,982,292		1,513,043	
Cash at bank and in hand		5,100,906		4,043,385	
		<u>7,083,198</u>		<u>5,556,428</u>	
Creditors: amounts falling due within one year	16	<u>(1,371,860)</u>		<u>(503,295)</u>	
Net current assets			<u>5,711,338</u>		<u>5,053,133</u>
Total assets less current liabilities			<u>5,800,052</u>		<u>5,163,989</u>
Creditors: amounts falling due after more than one year	17		<u>(2,424,500)</u>		<u>-</u>
Net assets			<u><u>3,375,552</u></u>		<u><u>5,163,989</u></u>
Capital and reserves					
Called up share capital	20		2		2
Share premium account	21		14,825,410		12,479,540
Profit and loss reserves			<u>(11,449,860)</u>		<u>(7,315,553)</u>
Total equity			<u><u>3,375,552</u></u>		<u><u>5,163,989</u></u>

The financial statements were approved by the board of directors and authorised for issue on 5 August 2020 and are signed on its behalf by:

Ms T Bulut
Director

STREETBEES.COM LIMITED

COMPANY BALANCE SHEET

AS AT 30 AUGUST 2019

		2019		2018	
	Notes	£	£	£	£
Fixed assets					
Tangible assets	11		88,714		110,856
Investments	12		9		9
			<u>88,723</u>		<u>110,865</u>
Current assets					
Debtors	15	2,413,756		1,755,028	
Cash at bank and in hand		5,100,906		4,043,385	
		<u>7,514,662</u>		<u>5,798,413</u>	
Creditors: amounts falling due within one year	16	<u>(1,371,868)</u>		<u>(503,303)</u>	
Net current assets			<u>6,142,794</u>		<u>5,295,110</u>
Total assets less current liabilities			<u>6,231,517</u>		<u>5,405,975</u>
Creditors: amounts falling due after more than one year	17		<u>(2,424,500)</u>		<u>-</u>
Net assets			<u><u>3,807,017</u></u>		<u><u>5,405,975</u></u>
Capital and reserves					
Called up share capital	20		2		2
Share premium account	21		14,825,410		12,479,540
Profit and loss reserves			<u>(11,018,395)</u>		<u>(7,073,567)</u>
Total equity			<u><u>3,807,017</u></u>		<u><u>5,405,975</u></u>

As permitted by s408 Companies Act 2006, the company has not presented its own profit and loss account and related notes. The company's loss for the year was £3,944,828 (2018 - £3,992,257 loss).

The financial statements were approved by the board of directors and authorised for issue on 5 August 2020 and are signed on its behalf by:

Ms T Bulut
Director

Company Registration No. 09177215

STREETBEES.COM LIMITED

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 AUGUST 2019

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 31 August 2017	1	1,557,109	(3,081,310)	(1,524,200)
Year ended 30 August 2018:				
Loss and total comprehensive income for the year	-	-	(4,234,243)	(4,234,243)
Issue of share capital	20	10,922,431	-	10,922,432
Balance at 30 August 2018	2	12,479,540	(7,315,553)	5,163,989
Year ended 30 August 2019:				
Loss and total comprehensive income for the year	-	-	(4,134,307)	(4,134,307)
Issue of share capital	20	2,345,870	-	2,345,870
Balance at 30 August 2019	2	14,825,410	(11,449,860)	3,375,552

STREETBEES.COM LIMITED

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE YEAR ENDED 30 AUGUST 2019

	Share capital	Share premium account	Profit and loss reserves	Total
Notes	£	£	£	£
Balance at 31 August 2017	1	1,557,109	(3,081,310)	(1,524,200)
Year ended 30 August 2018:				
Loss and total comprehensive income for the year	-	-	(3,992,257)	(3,992,257)
Issue of share capital	20	10,922,431	-	10,922,432
Balance at 30 August 2018	2	12,479,540	(7,073,567)	5,405,975
Year ended 30 August 2019:				
Loss and total comprehensive income for the year	-	-	(3,944,828)	(3,944,828)
Issue of share capital	20	2,345,870	-	2,345,870
Balance at 30 August 2019	2	14,825,410	(11,018,395)	3,807,017

STREETBEES.COM LIMITED

GROUP STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 AUGUST 2019

		2019		2018	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	24	(4,194,699)		(7,052,386)	
Interest paid		(155,136)		(524,128)	
Income taxes refunded		59,637		30,809	
Net cash outflow from operating activities		(4,290,198)		(7,545,705)	
Investing activities					
Purchase of tangible fixed assets		(29,613)		(75,024)	
Proceeds on disposal of tangible fixed assets		14,350			
Interest received		17,112		6,950	
Net cash generated from/(used in) investing activities			1,849		(68,074)
Financing activities					
Proceeds from issue of shares		2,345,870		10,922,432	
Drawing of borrowings		3,000,000		-	
Net cash generated from financing activities			5,345,870		10,922,432
Net increase in cash and cash equivalents			1,057,521		3,308,653
Cash and cash equivalents at beginning of year		4,043,385		734,732	
Cash and cash equivalents at end of year		5,100,906		4,043,385	

STREETBEES.COM LIMITED

COMPANY STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 30 AUGUST 2019

		2019		2018	
	Notes	£	£	£	£
Cash flows from operating activities					
Cash absorbed by operations	25	(4,194,699)		(7,052,377)	
Interest paid		(155,136)		(524,128)	
Income taxes refunded		59,637		30,809	
Net cash outflow from operating activities		(4,290,198)		(7,545,696)	
Investing activities					
Purchase of tangible fixed assets		(29,613)		(75,024)	
Proceeds on disposal of tangible fixed assets		14,350		-	
Purchase of subsidiaries		-		(9)	
Interest received		17,112		6,950	
Net cash generated from/(used in) investing activities			1,849		(68,083)
Financing activities					
Proceeds from issue of shares		2,345,870		10,922,432	
Drawing of borrowings		3,000,000		-	
Net cash generated from financing activities			5,345,870		10,922,432
Net increase in cash and cash equivalents			1,057,521		3,308,653
Cash and cash equivalents at beginning of year		4,043,385		734,732	
Cash and cash equivalents at end of year		5,100,906		4,043,385	

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 30 AUGUST 2019

1 Accounting policies

Company information

Streetbees.com Limited ("the company") is a private limited company domiciled and incorporated in England and Wales. The registered office is .

The group consists of Streetbees.com Limited and all of its subsidiaries.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and to include investment properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Basis of consolidation

In the parent company financial statements, the cost of a business combination is the fair value at the acquisition date of the assets given, equity instruments issued and liabilities incurred or assumed, plus costs directly attributable to the business combination. The excess of the cost of a business combination over the fair value of the identifiable assets, liabilities and contingent liabilities acquired is recognised as goodwill. The cost of the combination includes the estimated amount of contingent consideration that is probable and can be measured reliably, and is adjusted for changes in contingent consideration after the acquisition date. Provisional fair values recognised for business combinations in previous periods are adjusted retrospectively for final fair values determined in the 12 months following the acquisition date. Investments in subsidiaries, joint ventures and associates are accounted for at cost less impairment.

Deferred tax is recognised on differences between the value of assets (other than goodwill) and liabilities recognised in a business combination accounted for using the purchase method and the amounts that can be deducted or assessed for tax, considering the manner in which the carrying amount of the asset or liability is expected to be recovered or settled. The deferred tax recognised is adjusted against goodwill or negative goodwill.

The consolidated financial statements incorporate those of Streetbees.com Limited and all of its subsidiaries (ie entities that the group controls through its power to govern the financial and operating policies so as to obtain economic benefits). Subsidiaries acquired during the year are consolidated using the purchase method. Their results are incorporated from the date that control passes.

All financial statements are made up to 30 August 2019. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used into line with those used by other members of the group.

All intra-group transactions, balances and unrealised gains on transactions between group companies are eliminated on consolidation. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

1 Accounting policies

(Continued)

1.3 Going concern

The Group has had a significant improvement in its cashflow during 2020, with three consecutive months of positive cashflow. Based on the last twelve months, the current cash balance will provide sufficient funds to continue trading well over twelve months from the date of signing of these financial statements. The business is also confident of securing further funding during the next twelve months. The Directors are also mindful of the importance of the controlling overheads and are satisfied that they have a number of viable strategies which will achieve that objective.

The Directors have assessed the impact of Covid-19 which is not considered either to be an adjusting event in respect of the financial statements for the year ended 30 August 2019 nor of such significance to the company's operations that there are any material matters to disclose in relation to it. Naturally, the Directors will be assessing the short, mid and long term impacts of Covid-19 as part of their wider strategic planning, however at this point they do not consider that issues stemming from the Covid-19 outbreak alter their assessment of the company as a going concern.

1.4 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for goods and services provided in the normal course of business, and is shown net of VAT and other sales related taxes. The fair value of consideration takes into account trade discounts, settlement discounts and volume rebates.

When cash inflows are deferred and represent a financing arrangement, the fair value of the consideration is the present value of the future receipts. The difference between the fair value of the consideration and the nominal amount received is recognised as interest income.

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer (usually on dispatch of the goods), the amount of revenue can be measured reliably, it is probable that the economic benefits associated with the transaction will flow to the entity and the costs incurred or to be incurred in respect of the transaction can be measured reliably.

1.5 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Fixtures and fittings	25% straight line
Computers	25% straight line

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the profit and loss account.

1.6 Fixed asset investments

Equity investments are measured at fair value through profit or loss, except for those equity investments that are not publicly traded and whose fair value cannot otherwise be measured reliably, which are recognised at cost less impairment until a reliable measure of fair value becomes available.

In the parent company financial statements, investments in subsidiaries, associates and jointly controlled entities are initially measured at cost and subsequently measured at cost less any accumulated impairment losses.

A subsidiary is an entity controlled by the group. Control is the power to govern the financial and operating policies of the entity so as to obtain benefits from its activities.

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

1 Accounting policies

(Continued)

1.7 Impairment of fixed assets

At each reporting period end date, the group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The carrying amount of the investments accounted for using the equity method is tested for impairment as a single asset. Any goodwill included in the carrying amount of the investment is not tested separately for impairment.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.8 Financial instruments

The group has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the group's balance sheet when the group becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset and the net amounts presented in the financial statements when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

1 Accounting policies

(Continued)

Impairment of financial assets

Financial assets, other than those held at fair value through profit and loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss.

If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the group transfers the financial asset and substantially all the risks and rewards of ownership to another entity, or if some significant risks and rewards of ownership are retained but control of the asset has transferred to another party that is able to sell the asset in its entirety to an unrelated third party.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the group after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Derecognition of financial liabilities

Financial liabilities are derecognised when the group's contractual obligations expire or are discharged or cancelled.

1.9 Equity instruments

Equity instruments issued by the group are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the group.

1.10 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

1 Accounting policies

(Continued)

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset if, and only if, there is a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.11 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

1.12 Retirement benefits

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

1.13 Share-based payments

For cash-settled share-based payments, a liability is recognised for the goods and services acquired, measured initially at the fair value of the liability. At the balance sheet date until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in profit or loss for the year.

1.14 Foreign exchange

Transactions in currencies other than pounds sterling are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation in the period are included in profit or loss.

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

1 Accounting policies (Continued)

1.15 Correction of opening reserves

During the year it was found that accrued income brought forward from 2016/17 was overstated by £85,830. Therefore comparative accrued income has been reduced by £85,830 and comparative retained losses increased by £85,830. Additionally it was noted that other debtors from 2017/18 were overstated by £12,443. Therefore comparative other debtors have been reduced by £12,443 and retained losses increased by £12,443.

Neither correction has impacted the current year financial statements.

1.16 Separation of subsidiary's expenses within the parent company accounts

The prior year parent company accounts were prepared for the UK company only, having taken exemption from preparing group accounts on the basis that it was small. However, it was noted during the current year that the costs of the subsidiary were incorrectly recognised in the company's results. The result of this amendment is a decrease in company expenditure, and therefore it's loss, of £241,986 in 2018 and £189,479 in 2019. A corresponding intercompany debtor has been recognised in the parent company financial statements of £241,986 in 2018 and £431,465 in 2019. In the prior year, the retained losses were reduced by £241,986.

2 Judgements and key sources of estimation uncertainty

In the application of the group's accounting policies, the directors are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

3 Turnover and other revenue

	2019	2018
	£	£
Turnover analysed by class of business		
Applied data science	4,709,117	3,508,910
	<u> </u>	<u> </u>
	2019	2018
	£	£
Other significant revenue		
Interest income	17,112	6,950
	<u> </u>	<u> </u>

The directors consider that the disclosure of turnover per geographic location is seriously prejudicial to the interests of the company and thus have not disclosed this information.

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

4 Operating loss		
	2019	2018
	£	£
Operating loss for the year is stated after charging:		
Exchange differences apart from those arising on financial instruments measured at fair value through profit or loss	45,828	63,703
Depreciation of owned tangible fixed assets	37,405	26,079
Share-based payments	-	945
	<u> </u>	<u> </u>

5 Auditor's remuneration		
	2019	2018
	£	£
Fees payable to the company's auditor and associates:		
For audit services		
Audit of the financial statements of the group and company	18,000	-
	<u> </u>	<u> </u>

6 Employees				
The average monthly number of persons (including directors) employed by the group and company during the year was:				
	Group		Company	
	2019	2018	2019	2018
	Number	Number	Number	Number
Operations	54	43	47	38
Technology	24	17	24	17
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Total	78	60	71	55
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

Their aggregate remuneration comprised:

	Group		Company	
	2019	2018	2019	2018
	£	£	£	£
Wages and salaries	4,198,830	2,951,103	3,777,688	2,722,641
Social security costs	448,989	302,692	448,989	302,692
Pension costs	42,752	22,941	42,752	22,941
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	4,690,571	3,276,736	4,269,429	3,048,274
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

7	Directors' remuneration	2019	2018
		£	£
	Remuneration for qualifying services	172,917	160,100
	Company pension contributions to defined contribution schemes	2,212	1,128
		<u>175,129</u>	<u>161,228</u>
8	Interest receivable and similar income	2019	2018
		£	£
	Interest income		
	Interest on bank deposits	17,112	6,950
		<u>17,112</u>	<u>6,950</u>
9	Interest payable and similar expenses	2019	2018
		£	£
	Interest on financial liabilities measured at amortised cost:		
	Interest on bank overdrafts and loans	155,136	40
	Interest on convertible loan notes	-	524,088
		<u>155,136</u>	<u>524,128</u>
10	Taxation	2019	2018
		£	£
	Current tax		
	Adjustments in respect of prior periods	(60,018)	(30,809)
	Foreign current tax on profits for the current period	381	-
		<u>(59,637)</u>	<u>(30,809)</u>

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

10 Taxation (Continued)

The actual credit for the year can be reconciled to the expected credit for the year based on the profit or loss and the standard rate of tax as follows:

	2019 £	2018 £
Loss before taxation	(4,193,944)	(4,265,052)
Expected tax credit based on the standard rate of corporation tax in the UK of 19.00% (2018: 19.00%)	(796,849)	(810,360)
Tax effect of expenses that are not deductible in determining taxable profit	(2,360)	6,130
Unutilised tax losses carried forward	763,208	758,253
Research and development tax credit	(60,018)	(30,809)
Foreign tax	381	-
Consolidation adjustments	36,001	45,977
Taxation credit	(59,637)	(30,809)

As at 30 August 2019, there were tax losses available to carry forward of £11,074,957 (2018: £7,072,610)

11 Tangible fixed assets

Group	Fixtures and fittings £	Computers £	Total £
Cost			
At 30 August 2018	20,567	137,151	157,718
Additions	4,866	24,747	29,613
Disposals	-	(24,081)	(24,081)
At 30 August 2019	25,433	137,817	163,250
Depreciation and Impairment			
At 30 August 2018	4,034	42,828	46,862
Depreciation charged in the year	6,044	31,361	37,405
Eliminated in respect of disposals	-	(9,731)	(9,731)
At 30 August 2019	10,078	64,458	74,536
Carrying amount			
At 30 August 2019	15,355	73,359	88,714
At 30 August 2018	16,533	94,323	110,856

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

11 Tangible fixed assets				(Continued)
Company	Fixtures and fittings	Computers	Total	
	£	£	£	
Cost				
At 30 August 2018	20,567	137,151	157,718	
Additions	4,866	24,747	29,613	
Disposals	-	(24,081)	(24,081)	
	<u>25,433</u>	<u>137,817</u>	<u>163,250</u>	
At 30 August 2019	25,433	137,817	163,250	
Depreciation and impairment				
At 30 August 2018	4,034	42,828	46,862	
Depreciation charged in the year	6,044	31,361	37,405	
Eliminated in respect of disposals	-	(9,731)	(9,731)	
	<u>10,078</u>	<u>64,458</u>	<u>74,536</u>	
At 30 August 2019	10,078	64,458	74,536	
Carrying amount				
At 30 August 2019	<u>15,355</u>	<u>73,359</u>	<u>88,714</u>	
At 30 August 2018	<u>16,533</u>	<u>94,323</u>	<u>110,856</u>	

12 Fixed asset investments					
	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Investments in subsidiaries	13	-	-	9	9
		<u>-</u>	<u>-</u>	<u>9</u>	<u>9</u>

Movements in fixed asset investments

Company	Shares in group undertakings
	£
Cost or valuation	
At 30 August 2018 and 30 August 2019	9
	<u>9</u>
Carrying amount	
At 30 August 2019	9
	<u>9</u>
At 30 August 2018	9
	<u>9</u>

13 Subsidiaries

Details of the company's subsidiaries at 30 August 2019 are as follows:

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

13 Subsidiaries (Continued)

Name of undertaking	Registered office	Class of shares held	% Held Direct
Streetbees.com Unipessoal, LDA	Portugal	Ordinary	100
Streetbees USA Inc	United States of America	Ordinary	100

14 Financial instruments

	Group 2019 £	2018 £	Company 2019 £	2018 £
Carrying amount of financial assets				
Debt instruments measured at amortised cost	1,708,751	1,473,101	2,140,215	1,715,086
Carrying amount of financial liabilities				
Measured at amortised cost	3,516,739	386,463	3,516,747	386,471

15 Debtors

	Group 2019 £	2018 £	Company 2019 £	2018 £
Amounts falling due within one year:				
Trade debtors	587,781	805,460	587,781	805,460
Amounts owed by group undertakings	-	-	431,465	241,986
Other debtors	315,516	21,985	315,515	21,984
Prepayments and accrued income	1,078,995	685,598	1,078,995	685,598
	1,982,292	1,513,043	2,413,756	1,755,028

16 Creditors: amounts falling due within one year

	Notes	Group 2019 £	2018 £	Company 2019 £	2018 £
Other borrowings	18	575,500	-	575,500	-
Trade creditors		158,553	324,841	158,553	324,841
Other taxation and social security		152,866	116,832	152,866	116,832
Deferred income		126,755	-	126,755	-
Other creditors		36,497	61,622	36,505	61,630
Accruals and deferred income		321,689	-	321,689	-
		1,371,860	503,295	1,371,868	503,303

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

17 Creditors: amounts falling due after more than one year

		Group 2019 £	2018 £	Company 2019 £	2018 £
Other borrowings	18	2,424,500	-	2,424,500	-

18 Loans and overdrafts

		Group 2019 £	2018 £	Company 2019 £	2018 £
Other loans		3,000,000	-	3,000,000	-
Payable within one year		575,500	-	575,500	-
Payable after one year		2,424,500	-	2,424,500	-

On 29 March 2019, the group drew down on a loan granted by TriplePoint Capital LLC for £3,000,000. The loan is for a term of 36 months, at an interest rate of 10% with capital repayment commencing on 1 April 2020.

The group has provided security for this loan by way of a fixed and floating charge over the assets of the company, including a specific fixed charge over the trade name. The security additionally includes a negative pledge.

19 Retirement benefit schemes

	2019 £	2018 £
Defined contribution schemes		
Charge to profit or loss in respect of defined contribution schemes	42,752	22,941

A defined contribution pension scheme is operated for all qualifying employees. The assets of the scheme are held separately from those of the group in an independently administered fund.

20 Share capital

	Group and company	
	2019 £	2018 £
Ordinary share capital		
Issued and fully paid		
299,630 Ordinary shares of 0.0001p each	1	1
967,774 A Ordinary Shares of 0.0001p each	-	-
541,608 A1 Ordinary Shares of 0.00001p each	-	-

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

20	Share capital	(Continued)	
	Preference share capital		
	Issued and fully paid		
	542,543 A1 Preferred Shares of 0.0001p each	1	1
	217,380 A2 Preferred Shares of 0.0001p each	-	-
	30,190 A3 Preferred Shares of 0.0001p each	-	-
	4,166 A4 Preferred Shares of 0.0001p each	-	-
	133,944 A5 Preferred Shares of 0.0001p each	-	-
		<u>1</u>	<u>1</u>
	Preference shares classified as equity	<u>1</u>	<u>1</u>
	Total equity share capital	<u>2</u>	<u>2</u>

Share issuance in the year

The Company issued 118,896 and 15,048 A5 shares with a nominal value of £0.000001 on 28 November 2018 and 20 December 2018, respectively. The amount paid per share was £17.6846, providing a share premium, after transaction costs, of £2,345,870.

All share classes have attached to them full voting, dividend and capital distribution (including upon winding up) rights; they do not confer any rights of redemption.

21	Share premium account				
		Group	2018	Company	2018
		2019		2019	
		£	£	£	£
	At the beginning of the year	12,479,540	1,557,109	12,479,540	1,557,109
	Issue of new shares	2,345,870	10,922,431	2,345,870	10,922,431
		<u>14,825,410</u>	<u>12,479,540</u>	<u>14,825,410</u>	<u>12,479,540</u>

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

22 Share-Based Payment Transactions

The company has an Enterprise Management Incentive scheme in place. In accordance with FRS102 the required disclosure note has been provided.

This scheme consists of share options granted to employees which typically vest over four years and gives rise to equity settle share based payment transactions when all vesting conditions are met.

There were 186,337 share options in circulation as at 01 September 2018, of which 181,300 had a grant date fair value of £0.02 and 5,037 had a grant date fair value of £0.09. The weighted average exercise price of these options is £0.19.

95,446 share options were granted during the year, with a grant date fair value and weighted average exercise price of £2.65.

There were 281,783 share options in circulation as at 30 August 2019, and none of these live share options were exercisable as at 30 August 2019.

23 Operating lease commitments

At the reporting end date the group had outstanding commitments for future minimum lease payments under non-cancellable operating leases, which fall due as follows:

	Group 2019 £	2018 £	Company 2019 £	2018 £
Within one year	129,500	40,000	129,500	40,000
	<u>129,500</u>	<u>40,000</u>	<u>129,500</u>	<u>40,000</u>

24 Cash absorbed by group operations

	2019 £	2018 £
Loss for the year after tax	(4,134,307)	(4,234,243)
Adjustments for:		
Taxation credited	(59,637)	(30,809)
Finance costs	155,136	524,128
Investment income	(17,112)	(6,950)
Depreciation and impairment of tangible fixed assets	37,405	26,079
Movements in working capital:		
Increase in debtors	(469,249)	(870,918)
Increase/(decrease) in creditors	166,310	(2,459,673)
Increase in deferred income	126,755	-
Cash absorbed by operations	<u>(4,194,699)</u>	<u>(7,052,386)</u>

STREETBEES.COM LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 30 AUGUST 2019

25 Cash absorbed by operations - company	2019	2018
	£	£
Loss for the year after tax	(3,944,828)	(3,992,257)
Adjustments for:		
Taxation credited	(59,637)	(30,809)
Finance costs	155,136	524,128
Investment income	(17,112)	(6,950)
Depreciation and impairment of tangible fixed assets	37,405	26,079
Movements in working capital:		
Increase in debtors	(658,728)	(1,112,903)
Increase/(decrease) in creditors	166,310	(2,459,665)
Increase in deferred income	126,755	-
Cash absorbed by operations	<u>(4,194,699)</u>	<u>(7,052,377)</u>

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.